### RHODE ISLAND GOVERNMENT REGISTER

#### PUBLIC NOTICE OF PROPOSED RULEMAKING

**AGENCY**: Building Code Commission

RULE IDENTIFIER: 510- RICR-00-00-1

**REGULATION TITLE**: Process for Establishing Statewide Building Permit Fees

**RULEMAKING ACTION**: Proposed Rulemaking

**TYPE OF FILING**: Adoption

**DATES**: Date of Notice/ Public Comment Period Begins: October 12, 2017; Public Hearing Date: October 26, 2017; End of Comment Period: November 17, 2017.

**PLEASE NOTE:** On October 6, 2017, the Commission withdrew a prior version of proposed rule 510-RICR -00-00-1 "Process for Establishing Statewide Building Permit Fees." The Commission withdrew that prior version of the proposed rule because it contained a clerical error. The numbers within §1.12 of the prior version of the proposed rule had been transcribed incorrectly. The transcription error has been corrected in the proposed rule attached to this Public Notice.

**SUMMARY OF PROPOSED RULE**: The purpose of the proposed regulations is to establish a process and formula for establishing statewide building permit fees. As directed by R.I. Gen. Laws § 23-27.3-119, the permit fees assessed by all municipalities shall be computed according to the process and formula either established by, or approved by, the state of Rhode Island Building Code Commission. The proposed regulations set forth permit fee schedules for each of the thirty-nine (39) cities and towns.

**COMMENTS INVITED**: All interested parties are invited to submit written and/or oral comments concerning the proposed amendments by 4:00 p.m. on November 17, 2017. Written comments may be sent via email or mail to the address listed below:

Mailing Address: Building Code Commission

560 Jefferson Blvd. 2<sup>nd</sup> floor

Warwick, RI 02886-1394

Attention: Jeanne M. Enos

Email Address: jeanne.enos@doa.ri.gov

**PUBLIC HEARING INFORMATION**: Thursday, October 26, 2017 at 10:00 a.m. at the Public Utilities Commission, 89 Jefferson Blvd, Warwick, RI 02886-1394, First Floor Conference Room.

Interpreter services for the hearing impaired will be provided if such services are requested at least three (3) business days prior to the hearing. Request for such services will be made by Building Code Commission Staff. Request for such services may be made in writing or by calling (401) 889-5487. A recording of the public hearing will be made by the Recording Secretary for the Building Code Standards Committee.

**FOR FURTHER INFORMATION CONTACT**: Jeanne Enos, Building Code Commission Implementation Aide, 560 Jefferson Blvd. 2<sup>nd</sup> floor, suite 204, Warwick, RI 02886; email: jeanne.enos@doa.ri.gov; phone: 401.889.5487

#### **SUPPLEMENTARY INFORMATION:**

**Regulatory Analysis Summary**: The Building Code Commission developed the statewide formula after collecting data from municipalities over the past year, including budgetary data from municipal building departments, as well as data regarding the number and type of permits issued by the department.

The statewide formula sets a standard fee schedule format that can be adjusted to account for each municipality's specific budgeting and permitting circumstances. A minimum fee and a base fee rate is established for each municipality, and this base fee rate is adjusted in a decreasing standard statewide formula (in each case, decreasing the base fee by two dollars for each step). Budget and permitting estimates were used to compare the impacts of each municipality's current and proposed statewide fee schedules. The proposed fee schedules attempt to bring each municipality closer to revenue neutrality.

**Authority for This Rulemaking:** R.I. Gen. Laws § 23-27.3-119

**Regulatory Findings**: Currently, municipalities set their own building permit fee schedules. The proposed regulations will set forth each municipality's fee schedule based on a data driven approach. The proposed regulations also include processes to allow municipalities to request the adjustment of fee schedules, and to request an extended transition period. The proposed regulations will help ensure compliance with R.I. Gen. Laws § 23-27.3-119.

#### The Proposed New Rule:

The proposed regulations will be attached to this notice on the Secretary of State's website. In addition, a hard copy of the proposed regulations will be available for examination from Thursday, October 21, 2017 through Monday, October 23, 2017 at the office of the Building Code Commission located at 560 Jefferson Blvd. 2nd Floor, Warwick, RI 02886-1394. Electronic Copies of the proposed regulations will also be available on the Building Code Commission web site www.ribcc.ri.gov.

#### 510-RICR-00-00-1

### TITLE 510 – BUILDING CODE COMMISSION

#### **CHAPTER 00 - NA**

#### **SUBCHAPTER 00 - NA**

PART 1 – Process for Establishing Statewide Building Permit Fees

### 1.1 Purpose

The purpose of these regulations is to establish a process and formula for establishing statewide building permit fees.

# 1.2 Legal Authority

These regulations are promulgated pursuant to R.I. Gen. Laws § 23-27.3-119 and in accordance with R.I. Gen. Laws § 42-35-1 et seg., the Administrative Procedures Act.

# 1.3 Severability

The provisions of these regulations are severable, and if any provision hereof shall be held invalid in any circumstances, any invalidity shall not affect any other provisions or circumstances.

### 1.4 Definitions

As used in these regulations the following definitions will apply:

- 1. "Building permit fees" means categories of municipal fees set forth in R.I. Gen. Laws §§ 23-27.3-118 and 23-27.3-118.1.
- 2. "Commission" means the Rhode Island building code commission.
- 3. "Commissioner" means the commissioner of the Rhode Island building code commission.
- 4. "Data inputs" mean the assumptions, data and other relevant information that are factored into the statewide permit formula.
- 5. "Fee schedule" means a schedule of building permit fees which are computed by applying the statewide permit formula.
- 6. "Municipality" means any city or town within the State of Rhode Island.
- 7. "Statewide permit formula" means the formula described in Section 1.10 herein.

# 1.5 Applicability

The fee schedules established herein shall become effective on July 1, 2018 provided that the fee schedule established herein for a municipality that is granted an extended transition period shall become effective on July 1, 2020.

## 1.6 Municipal Requirements

The building permit fees assessed by municipalities shall be computed in accordance with the fee schedules listed in Section 1.12 herein.

## 1.7 Commission Requirements

The fee schedule for each municipality shall be posted on the commission's website (<a href="http://www.ribcc.ri.gov/">http://www.ribcc.ri.gov/</a>) and the website shall be updated whenever a change to a fee schedule is made so that all fee schedules posted on the website are current.

## 1.8 Adjusting of Fee Schedules

- A. Adjustments to the fee schedules may be made by amending these regulations. Such amendments must be promulgated in accordance with R.I. Gen. Laws § 42-35-1 et seq., the Administrative Procedures Act.
- B. The commissioner may, from time to time or upon a reasonable request from a municipality, request authorization from the commission to commence a promulgation process for purposes of making an adjustment to a municipality's fee schedule. A municipality's request to the commissioner must provide the basis for why an adjustment is appropriate as well as all pertinent updated data inputs.
- C. Authorization to commence a promulgation process shall not be granted by the commission unless it finds that (i) the proposed adjustment is the result of the commissioner's application of the statewide permit formula or (ii) that the proposed adjustment will result in a lower fee for contractors than the fee would be if the statewide permit formula was applied and the lower fee is desired by the municipality.
- D. All adjustments to fee schedules shall become effective beginning the first day of July following the date when the amendment to these regulations becomes final provided that commission may establish a different effective date if it is in the best interest of the State.
- E. The commissioner may periodically examine whether fee schedule adjustments are appropriate. Upon written request from the commissioner, municipalities shall, within thirty (30) business days of the request, provide the commissioner with updated data inputs in a format (i.e. Excel spreadsheet) that is satisfactory to the commissioner.

# 1.9 Request for Extended Transition Period

A. A municipality may request an extended transition period which, if approved, means that

- the municipality's fee schedule in effect on July 1, 2017 will remain its fee schedule through June 30, 2020.
- B. Requests for the extended transition period must be made in writing and received by the commissioner by March 1, 2018. Timely requests received by the commissioner will be forwarded to the commission for consideration.
- C. No request shall be granted unless approved by the commission.
- D. Any municipality whose request for an extended transition period is granted must submit a written status report to the commissioner on or around May 15, 2019. The status report should provide an update regarding the municipality's approach for implementing a fee schedule that applies the statewide permit formula.
- E. In the event that a municipality fails to submit a satisfactory status report, the commission may rescind its approval of an extended transition period which means that a fee schedule that applies the statewide permit formula will become effective for that municipality beginning on July 1, 2019 rather than July 1, 2020.

### 1.10 Statewide Permit Formula

When calculating fee schedules for municipalities, the commissioner shall apply a statewide permit formula. The statewide permit formula shall factor in various data inputs including but not limited to the size of the municipality, the budget and size of the municipality's department, division or office that works on permitting issues, and the number and types of permitting actions that occur within the municipality.

# 1.11 Request for Reconsideration

- A. A municipality may submit a request for reconsideration to the commissioner if it is aggrieved by one of the following actions:
  - 1. The establishment of the municipality's fee schedule.
  - 2. An adjustment to the municipality's fee schedule.
  - 3. The commissioner's denial of the municipality's request for the commissioner to seek authorization from the commission to commence a promulgation process to adjust the municipality's fee schedule.
  - 4. The denial of the municipality's request for an extended transition period.
- B. A request for reconsideration must be in writing and received by the commissioner within fifteen (15) business days from (i) when the municipality learned of the action or (ii) when the municipality should have learned of the action, whichever is sooner.
- C. The request for reconsideration must provide the basis for the request and clearly state the action that the municipality would like the commissioner and/or commission to take.

D. The commissioner shall respond to the municipality in writing within thirty (30) business days. The commissioner may (i) deny the request; (ii) fully or partially approve the request provided that he or she has the authority to take the action being requested; or (iii) place the request on the commission's agenda for its consideration.

## 1.12 Fee Schedules

Town of Barrington								
Project Valuation Proposed Fee Schedule								
0,000		\$8.00	per \$1,000					
0,000	\$80 +	\$6.00	per \$1,000 exceeding \$50k					
limit	\$320 +	\$4.00	per \$1,000 exceeding \$10k					
	ion 0,000 0,000	o,000 \$80 +	ion 0,000 \$8.00 0,000 \$80 + \$6.00	Proposed Fee Schedule   0,000 \$8.00 per \$1,000   0,000 \$80 + \$6.00 per \$1,000 exceeding \$50k				

Note: \$40 minimum fee

Town of Bristol							
Project Va	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$9.00	per \$1,000			
From \$10,001 to	\$50,000	\$90.00	\$7.00	per \$1,000 exceeding \$50k			
From \$50,001 to	no limit	\$370.00	\$5.00	per \$1,000 exceeding \$10k			

Town of Burrillville								
Project Valuation Proposed Fee Schedule								
\$1 to	\$10,000		\$10.00	per \$1,000				
From \$10,001 to	\$50,000	\$100 +	\$8.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$420 +	\$6.00	per \$1,000 exceeding \$50k				
Note: \$65 minimum fe	e		•		•			

City of Central Falls								
Project Valuation Proposed Fee Schedule								
\$1 to	\$10,000		\$9.00	per \$1,000				
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k				
Note: \$65 minimum fe	e							

Town of Charlestown								
Project Valuatio	n		Proposed Fee Schedule					
\$1 to \$10,0	00	\$12.00	per \$1,000					
From \$10,001 to \$50,0	00 \$120+	\$10.00	per \$1,000 exceeding \$10k					
From \$50,001 to no lin	nit \$520 +	\$8.00	per \$1,000 exceeding \$50k					

Town of Coventry							
Project Val	uation			Proposed Fee Schedule			
\$1 to	\$10,000		\$9.00	per \$1,000			
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k			
Note: \$75 minimum fee				_			

City of Cranston								
Project Valuation Proposed Fee Schedule								
\$1 to	\$10,000		\$20.00	per \$1,000				
From \$10,001 to	\$50,000	\$200 +	\$18.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$920 +	\$16.00	per \$1,000 exceeding \$50k				
Note: \$75 minimum fe	Note: \$75 minimum fee							

Town of Cumberland							
Project V	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$8.00	per \$1,000			
From \$10,001 to	\$50,000	\$80 +	\$6.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$320 +	\$4.00	per \$1,000 exceeding \$50k			
Note: \$75 minimum fe	e						

Town of East Greenwich							
Project Va	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$17.00	per \$1,000			
From \$10,001 to	\$50,000	\$170 +	\$15.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$770 +	\$13.00	per \$1,000 exceeding \$50k			

City of East Providence							
Project Valuation Proposed Fee Schedule							
\$1 to	\$10,000		\$13.00	per \$1,000			
From \$10,001 to	\$50,000	\$130.00	\$11.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$570.00	\$9.00	per \$1,000 exceeding \$50k			
Note: \$75 minimum fe	ee						

Town of Exeter							
Project V	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$10.00	per \$1,000			
From \$10,001 to	\$50,000	\$100.00	\$8.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$420.00	\$6.00	per \$1,000 exceeding \$50k			
Note: \$50 minimum fe	e						

Town of Foster								
Project Va	aluation		Proposed Fee Schedule					
\$1 to	\$10,000		\$8.00	per \$1,000				
From \$10,001 to	\$50,000	\$80 +	\$6.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$320 +	\$4.00	per \$1,000 exceeding \$50k				
Note: \$50 minimum fee	Note: \$50 minimum fee							

Town of Glocester							
Project Valuation		Proposed Fee Schedule					
\$1 to \$10,000	\$13.00	per \$1,000					
From \$10,001 to \$50,000	\$130 + \$11.00	per \$1,000 exceeding \$10k					
From \$50,001 to no limit	\$570 + \$9.00	per \$1,000 exceeding \$50k					

Town of Hopkinton							
Project Va	luation			Proposed Fee Schedule			
\$1 to	\$10,000		\$13.00	per \$1,000			
From \$10,001 to	\$50,000	\$130 +	\$11.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$570 +	\$9.00	per \$1,000 exceeding \$50k			
Note: \$50 minimum fe	e						

Town of Jamestown							
Project V	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$12.00	per \$1,000			
From \$10,001 to	\$50,000	\$120.00	\$10.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$520.00	\$8.00	per \$1,000 exceeding \$50k			
Note: \$50 minimum fe	e						

Town of Johnston							
Project Val	uation			Proposed Fee Schedule			
\$1 to	\$10,000		\$12.00	per \$1,000			
From \$10,001 to	\$50,000	\$120 +	\$10.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$520 +	\$8.00	per \$1,000 exceeding \$50k			
Note: \$75 minimum fee							

Town of Lincoln							
Project Valua	ation			Proposed Fee Schedule			
\$1 to \$1	.0,000		\$15.00	per \$1,000			
From \$10,001 to \$5	50,000	\$150 +	\$13.00	per \$1,000 exceeding \$10k			
From \$50,001 to no	limit	\$670 +	\$11.00	per \$1,000 exceeding \$50k			

Town of Little Compton							
Project V	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$9.00	per \$1,000			
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k			
Note: \$50 minimum fe	e						

Town of Middletown							
Project \	/aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$18.00	per \$1,000			
From \$10,001 to	\$50,000	\$180.00	\$16.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$820.00	\$14.00	per \$1,000 exceeding \$50k			
Note: \$50 minimum fe	ee						

Town of Narragansett							
Project V	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$9.00	per \$1,000			
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k			
Note: \$65 minimum fe	e						

Town of New Shoreham							
Project Valuation	1		Proposed Fee Schedule				
\$1 to \$10,00	00 \$	313.00 per	· \$1,000				
From \$10,001 to \$50,00	00 \$130 + \$	\$11.00 per	<sup>+</sup> \$1,000 exceeding \$50k				
From \$50,001 to no lim	it \$570 +	\$9.00 per	\$1,000 exceeding \$10k				

City of Newport							
Project Va	aluation			Proposed Fee Schedule			
\$1 to	\$10,000		\$20.00	per \$1,000			
From \$10,001 to	\$50,000	\$200 +	\$18.00	per \$1,000 exceeding \$10k			
From \$50,001 to	no limit	\$920 +	\$16.00	per \$1,000 exceeding \$50k			
Note: \$75 minimum fe	e						

Town of North Kingstown								
Project Valuation				Proposed Fee Schedule				
\$1 to	\$10,000		\$11.00	per \$1,000				
From \$10,001 to	\$50,000	\$110 +	\$9.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$470 +	\$7.00	per \$1,000 exceeding \$50k				
Note: \$75 minimum fe	e							

Town of North Providence								
Project Valuation				Proposed Fee Schedule				
\$1 to	\$10,000	_	\$21.00	per \$1,000				
From \$10,001 to	\$50,000	\$ 210 +	\$19.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$ 970 +	\$17.00	per \$1,000 exceeding \$50k				
Note: \$75 minimum fe	e	Note: \$75 minimum fee						

Town of North Smithfield									
Project Va	luation			Proposed Fee Schedule					
\$1 to	\$10,000		\$10.00	per \$1,000					
From \$10,001 to	\$50,000	\$100 +	\$8.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$420 +	\$6.00	per \$1,000 exceeding \$50k					

City of Pawtucket									
Project Va	luation			Proposed Fee Schedule					
\$1 to	\$10,000		\$11.00	per \$1,000					
From \$10,001 to	\$50,000	\$110 +	\$9.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$470 +	\$7.00	per \$1,000 exceeding \$50k					
Note: \$100 minimum fe	ee								

Town of Portsmouth								
Project Va	luation			Proposed Fee Schedule				
\$1 to	\$10,000		\$12.00	per \$1,000				
From \$10,001 to	\$50,000	\$120 +	\$10.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$520 +	\$8.00	per \$1,000 exceeding \$50k				
Note des addition of the								

		City of F	Provide	nce				
Project Valuat	ion							
\$1 to	\$10,000		\$23.00	per \$1,000				
From \$10,001 to	\$50,000	\$230 +	\$21.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$1070+	\$19.00	per \$1,000 exceeding \$50k				
Note: \$125 minimum	Note: \$125 minimum fee							

		Town of	Richmo	ond	
Project V	'aluation			Proposed Fee Schedule	
\$1 to	\$10,000		\$13.00	per \$1,000	
From \$10,001 to	\$50,000	\$130.00	\$11.00	per \$1,000 exceeding \$10k	
From \$50,001 to	no limit	\$570.00	\$9.00	per \$1,000 exceeding \$50k	

Town of Scituate									
Project Va	luation			Proposed Fee Schedule					
\$1 to	\$10,000		\$9.00	per \$1,000					
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k					
Note: \$65 minimum fee	9								

Town of Smithfield									
Project Va	aluation			Proposed Fee Schedule					
\$1 to	\$10,000		\$8.00	per \$1,000					
From \$10,001 to	\$50,000	\$80 +	\$6.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$320 +	\$4.00	per \$1,000 exceeding \$50k					
Note: \$50 minimum fe	ρ								

Town of South Kingstown								
Project Valuation				Proposed Fee Schedule				
\$1 to	\$10,000		\$9.00	per \$1,000				
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k				
Note: \$40 minimum fe	Note: \$40 minimum fee							

Town of Tiverton									
Project Va	aluation			Proposed Fee Schedule					
\$1 to	\$10,000		\$9.00	per \$1,000					
From \$10,001 to	\$50,000	\$90 +	\$7.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$370 +	\$5.00	per \$1,000 exceeding \$50k					
	•	•		·					

Town of Warren								
Project Val	uation			Proposed Fee Schedule				
\$1 to	\$10,000		\$13.00	per \$1,000				
From \$10,001 to	\$50,000	\$130 +	\$11.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$570 +	\$9.00	per \$1,000 exceeding \$50k				
Note: \$65 minimum fee								

City of Warwick									
Project Va	aluation			Proposed Fee Schedule					
\$1 to	\$10,000		\$10.00	per \$1,000					
From \$10,001 to	\$50,000	\$100 +	\$8.00	per \$1,000 exceeding \$10k					
From \$50,001 to	no limit	\$420 +	\$6.00	per \$1,000 exceeding \$50k					
Note: \$75 minimum fe	е								

City of Westerly										
Project Val	luation			Proposed Fee Schedule						
\$1 to	\$10,000		\$7.00	per \$1,000						
From \$10,001 to	\$50,000	\$70 +	\$5.00	per \$1,000 exceeding \$10k						
From \$50,001 to	no limit	\$270 +	\$3.00	per \$1,000 exceeding \$50k						
Note: \$40 minimum fee	!									

Town of West Greenwich								
Project Valuation			Proposed Fee Schedule					
\$1 to	\$10,000		\$11.00	per \$1,000				
From \$10,001 to	\$50,000	\$110 +	\$9.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$470 +	\$7.00	per \$1,000 exceeding \$50k				

Town of West Warwick								
Project Valuation			Proposed Fee Schedule					
\$1 to	\$10,000		\$20.00	per \$1,000				
From \$10,001 to	\$50,000	\$200 +	\$18.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$920 +	\$16.00	per \$1,000 exceeding \$50k				
Note: \$75 minimum fee								

City of Woonsocket								
Project Valuation			Proposed Fee Schedule					
\$1 to	\$10,000		\$15.00	per \$1,000				
From \$10,001 to	\$50,000	\$150 +	\$13.00	per \$1,000 exceeding \$10k				
From \$50,001 to	no limit	\$670 +	\$11.00	per \$1,000 exceeding \$50k				
Note: C75 minimum for								